THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) and (c) A proposal to convert the existing seven Export Processing Zones (EPZs) in the country into Free Trade Zones is under consideration. Details in this regard are being worked out.

Production of Tea

2958. SHRI S.M. KRISHNA: Will the Minister of COMMERCE be pleased to state:

(a) the total production of tea during the last two years, State-wise and year wise vis-a-vis actual consumption;

(b) whether Government are aware that the on going dry spell may hit Assam tea as reported in the Hindustan Times dated the 22nd March, 1999;

(c) if so, what remedial measures Government have taken in this regard;

(d) whether tea is imported; and

(e) if so, the details of tea imported during last one year and the country from where tea was imported?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) the State-wise production of tea during the last two years are as under:—

(Quantity in M.Kgs)

State	Production 1997	1998
Assam	425.43	462.78
West Bengal	169.95	195.71
Tamil Nadu	130.59	125.09
Kerala	69.64	70.62
Karnataka	5.41	5.67
Others	9.59	10.54
ALL INDIA	810.61	870.41

State-wise Consumption figures are not maintained. The Consumption of tea in the country during 1997 & 1998 is estimated at 633 Mn. Kgs & 645 Mn. Kgs respectively.

(b) and (c) The tea gardens in Assam experienced an unprecedented long dry spell during the first three months of 1999. While this has not effected the crop production in Assam during January and February 99, the production for March has reportedly been adversely affected. The Board has sent an advisory Circular to all the Tea Producer Associations highlighting the measures to be taken by them for minimising the impact of drought. The Producer Associations have been requested to bring this to the notice of all the member gardens.

(d) and (e) Yes, Sir. An estimated 7 Mn. Kgs of tea was imported during 97-98 from countries like Sri Lanka, China, Indonesia, Kenya, Malawi, Bangladesh, Nepal etc.

Export of Tea

2959. SHRI BHAGABAN MAJHI: Will the Minister of COMMERCE be pleased to state:

(a) the countires to which tea is being exported at present;

(b) the total amount worth tea exported to these countries during the last three years;

(c) the export order received from various countries for 1999-2000;

(d) whether the recent dry spell in Assam and other tea producing States will have any adverse effect on the production and export of tea; and

(e) if so, the steps taken by Government to deal with the situation?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) Indian tea is exported to more than 80 countries of the world. Major importers of India tea are Russia and CIS countires, U.K., Germany, Poland, U.A.E., Iran, Arab Republic of Egypt, Japan, Saudi Arabia etc.

(b) Export of tea from India during the last three years have been as under:—

Year	Qty. (Mn.Kgs)	Value (Rs.Crores)
1995-96	167.47	1244.52
1996-97	169.04	1301.46
1997-98	211.76	1953.91

(c) Orders for export are received directly by the Traders/Exporters. The Govt. is not in a position to indicate the amount of orders for tea export received by them. However it is estimated that around 220 Mn. Kgs of tea is likely to be exported during the year 1999-2000.

(d) and (e) Yes, Sir, The gardens in Assam, North Bengal as well as South India have experienced an unprecedented long dry spell during the first three months of 1999. While this has resulted in substantial crop reduction in South India during the first two months of (Jan-Feb), 1999, the same has adversely affected the crop production in north India during March' 99. Insofar as the impact of the drought conditions on tea exports is concerned, it is too early to indicate the same. The Board has sent an advisory Circular to all the Tea Producer Associations indicating the measures to be taken by them for minimising the impact of drought. The Producer Associations have been requested to bring this to the notice of all the member garden.

Duty Free Import of Tea

2960. SHRI GURUDAS DAS GUPTA:
SHRI KRISHNA KUMAR BIRLA:
SHRI J. CHITHARANJAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have allowed duty free import of tea from SAARC countries;

(b) if so, whether Government have critically examined its impact on the domestic tea industry and overall market prices;

(c) whether the Assam Chief Minister has represented in this regard;

(d) if so, what are the details thereof and Government's reaction thereto; and

(e) the manner in which Government propose to give relief to the domestic tea industry?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) to (e) Under the terms of the Indo-Sri Lanks FTA signed in December 1998, the two sides are to exchange the lists of items on which duty preferences shall be given and items on which no duty preferences shall be given for the present. The lists are under finalisation and consultations are being held with Sir Lanka in this regard. While preparing the lists from our side, consultations have been held with the concerned Ministries and which the Industry & trade. Due importance has been given to the representations received from various quarters including the State Governments.

The Chief Minister of Assam has written to the Prime Minister requesting that import of Tea should not be allowed duty free under the Free Trade Agreement.

Duty concessions being provided on various items under the Agreement will be available only on the Basic Customs Duty and not on Special Additional Customs Duty and the Additional Customs Duty in lieu of Central excise.

Misuse of DEPB Scheme

2961. SHRIMATI JAYAPRADA NAHATA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the Duty Entitlement Passbook Schemes are greatly being misused by the exporters and the Ministry of Finance wants to plug loopholes and check growth misuse of the schemes;